

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF ALABAMA, SOUTHERN DIVISION**

In Re:)	Case No: 11-12254-WRS-11
)	
SMALL LOANS, INC., et al.)	Chapter 11
)	
Debtors.)	Jointly Administered

NOTICE OF AUCTION SCHEDULED FOR FRIDAY, OCTOBER 5, 2012
REGARDING CERTAIN CHARGED OFF ACCOUNTS
OWNED BY DEBTORS

S. Gregory Hays, the chapter 11 trustee (the "Trustee") appointed in the above captioned cases, hereby gives notice that the Trustee intends sell by auction certain assets described in the Chapter 11 Trustee's Motion for Order (1) Authorizing Sale of Certain of Debtors' Consumer Credit Accounts Free and Clear of Liens, Claims and Encumbrances Under Section 363 of the Bankruptcy Code and (2) Approving Terms for Submission of Competing Offers and Auction Procedure [ECF Docket No. 501] (the "363 Sale Motion"), a true and correct copy of which is attached hereto as **Exhibit "A."**

The specific assets that are going to be auctioned are the "Charged Off Accounts" as defined and described in the 363 Sale Motion. As indicated in the 363 Sale Motion, "Charged Off Accounts" are defined to also include all judgments and deficiency claims (certain records of the Debtors may refer to these as "legal accounts") owned by the Debtors. The Trustee previously scheduled an auction sale of the Charged Off Accounts for August 13, 2012, but that sale was postponed pursuant to the Notice of Postponement of Auction Scheduled for Monday, August 13, 2012, Regarding Certain Charged Off Accounts [ECF Docket No. 522] filed by the Trustee.

The new auction sale date for the Charged Off Accounts is Friday, October 5, 2012, with the auction commencing at 10:00 a.m. Eastern Standard Time at the offices of Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, N.E., Suite 2500, Atlanta, Georgia 30305, Telephone: (678) 553-2100.

Subject to bankruptcy court approval, the auction of the Charged Off Accounts will take place simultaneously with the Trustee's auction of all the store branches owned and operated by the Debtors as well as all of the Debtors' consumer credit accounts, notes, receivables, security instruments, insurance policies and other ancillary products (*other than the Charged Off Accounts, which are being auctioned simultaneously, but separately, as indicated above*), plus all the furniture, fixtures, and equipment located in the branches (collectively, the "Branches").

DealerIndustry.com LLC, d/b/a Automotive Capital Corporation ("ACC") is the stalking horse bidder for the Charged Off Accounts with a bid in the amount of \$510,000 (Western Shamrock has, however, indicated to the Trustee that it intends to bid \$625,000 for the Charged Off Accounts at the auction). Western Shamrock Corporation ("Western Shamrock") is the stalking horse bidder for the Branches with a bid in the amount of \$4,375,000. The bidding procedures attached to the 363 Sale Motion as Exhibits "C" and "D" will govern the conduct of the auction.

Interested bidders should contact the Trustee's broker, Jerry Robinson, at (404) 891-1134 or jerry.robinson@renovacapital.net for additional details regarding the auction.

Respectfully submitted,

/s/ Bradley R. Hightower

Daniel D. Sparks

Eric J. Breithaupt

Bradley R. Hightower

Attorneys for S. Gregory Hays, Chapter 11 Trustee

OF COUNSEL:

CHRISTIAN & SMALL LLP

505 North 20th Street, Suite 1800

Birmingham, Alabama 35203

Phone: (205) 795-6588

Fax: (205) 328-7234

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing pleading upon the following via the ECF system or by placing a copy of same in the United States mail, postage prepaid, addressed as follows on this the 20th day of September, 2012:

Teresa R. Jacobs
U.S. Bankruptcy Administrator
Frank M. Johnson, Jr. Federal Building
One Church Street, Suite 103
Montgomery, Alabama 36104

John D. Elrod
R. Kyle Woods
Greenberg Traurig, LLP
The Forum – Suite 400
3290 Northside Parkway, NW
Atlanta, Georgia 30327

Douglas V. Oakes
DealerIndustry.com LLC, d/b/a Automotive Capital Corporation
2295 South Hiawasse Road, Suite 410
Orlando, Florida 32835

Frank Virgin
Slaughter Virgin PC
1201 Peachtree Street NE Ste. 1110
Atlanta GA 30361

Those persons who have requested notice pursuant to Fed. R. Bankr. P. 2002

/s/ Bradley R. Hightower

OF COUNSEL

EXHIBIT A

Small Loans, et al.
Summary of Bidding Procedures for Charged Off Accounts
(PROPOSED)

_____, 2012

The following are the bidding procedures (the "Procedures") proposed by S. Gregory Hays, Chapter 11 Trustee (the "Trustee" or "Seller") for Small Loans, Inc., a Georgia corporation, The Money Tree Inc., a Georgia corporation, The Money Tree of Louisiana, Inc., a Louisiana corporation, The Money Tree of Florida Inc., a Georgia corporation, and The Money Tree of Georgia Inc., a Georgia corporation (collectively, the "Debtors") and approved by the U.S. Bankruptcy Court for the Middle District of Alabama (the "Court") for use in connection with the auction (the "Auction") of the certain assets owned by the Debtors. DealerIndustry.com, LLC, a Florida limited liability company d/b/a Automotive Capital Corporation (the "Stalking Horse") has been designated as the stalking horse bidder in the Auction.

S. Gregory Hays, as Chapter 11 Trustee for the Debtors, has authority to sell the Debtors' assets.

Assets Being Purchased

The following assets (collectively, the "Assets"), or any portion thereof, will be transferred to the bidder with the offer determined by the Trustee, in consultation with the Omnibus Official Committee of Unsecured Creditors (the "Committee"), to be the highest and best bid (the "Successful Bidder"):

- Debtors' interest in certain consumer credit accounts, notes, receivables, security instruments, deficiency judgments, insurance policies, and other ancillary products related to the consumer credit accounts owned by Debtors and set forth on **Exhibits A-1, A-2, and A-3**¹ hereto (collectively, the "Charged Off Accounts").
- Debtors' right, title and interest in all security instruments and the liens created thereunder (if any) with respect to the Charged Off Accounts.
- Copies of all individual ledger cards or their computer equivalent, bookkeeping memoranda, pay histories, receipt, loan files, correspondence, folders, credit files, fanfolds, indexes, and all other records in Debtors' possession directly pertaining to the Charged Off Accounts.
- The interest of Debtors under each and every existing policy or certificate of insurance, if any, to the extent such relates to any property securing any of the Charged Off Accounts and as relates to the life or lives or health or unemployment of any obligors of said Charged Off Accounts.
- Copies of all judgments and deficiency claims in the Debtors' possession related to the Charged Off Accounts.
- Copies of all files and documents in Debtors' possession relating to paid accounts of Debtors, pending and previous applications for credit by Debtors, and any relationships of Debtors with retail installment dealers.
- Seller will provide the following documents in the Seller's possession regarding for a minimum of 90% of the Charged Off Accounts described in Exhibits A-1 and A-2 and for a minimum of 50% of the Charged Off Accounts described in Exhibit A-3: (a) Copy of Signed Customer Application, (b) Copy of Signed Loan Application, (c) Copy of Driver License Other State Picture ID, (d) Copy of Income Sources At Time Of Loan, (e) Copy of Proof Of Address At Time Of Loan, and (f) Copy Of Collateral Listing Or Copy Of Vehicle Title Showing Lien For Auto Loans, and (g) For Charged Off

¹ Exhibit A-1 contains a list of accounts owned by Debtors for which the Debtors' customers have filed chapter 13 bankruptcy cases; Exhibit A-2 contains a list of accounts owned by Debtors for which the Debtors have obtained a judgment against the customer; and Exhibit A-3 contains a list of accounts owned by the Debtors for which the debt is simply unsecured and no judgment has been obtained and the customer has not filed chapter 13 bankruptcy.

Accounts on Which a Money Judgment has been Obtained by Seller, Recorded Copy of Judgment (collectively, the "Support Documents").

Excluded Assets

- All promissory notes, loan contracts, installment contracts or, in the absence thereof, the computer account records documenting the terms of a receivable, to the extent that the borrower or borrowers under which is/are or has been a debtor in a chapter seven, eleven or thirteen bankruptcy case since the making of the initial loan by any of the Debtors to such borrower(s).
- All promissory notes, loan contracts, installment contracts or, in the absence thereof, the computer account records documenting the terms of a receivable, other than Charged Off Accounts, originating from a Branch, which according to the Debtors' records, has NOT been "charged-off" by the respective Debtor, such that it is a performing asset on the balance sheet or in the other books and records of the respective Debtor as of the July 25, 2012 Cut-Off Date described in the court order approving the sale ("Receivables"). Receivables expressly include any and all collateral instruments, insurance policies and other ancillary products related to a Receivable
- Any assets of Debtors not described in the Assets Being Purchased section above, including without limitation, Debtors corporate record books and corporate seals, and securities.
- Any claims, rights or causes of action of Debtors or Seller other than claims arising from the Charged Off Accounts.
- All of Debtors' tax attributes and all tax refunds to which Debtors may be entitled with respect to any period of Debtors' operations prior to the date of the Debtors' bankruptcy filings.
- Any claim relating to non-filing insurance or the return or refund of unearned premiums that Debtors may have against any insurance company or its affiliates or any claim relating to non-filing insurance which Seller or Debtors may have against any other carrier.
- All pending insurance claims and all claims filed in the future, if any; the proceeds thereof; and the insurance premium refunds, if any, in connection with any of the Charged Off Accounts purchased by the winning bidder.

Assumed Liabilities

- All liabilities and obligations of the Debtors or Seller with respect to the Charged Accounts arising after the July 25, 2012 Cut-Off Date.
- All liabilities and obligations of the Debtors or Seller with respect to Debtors' Privacy Policy attached as **Exhibit B** hereto.
- All liabilities and obligations of Debtors or Seller relating to the employment of Debtors' employees prior to the closing of this sale.

Excluded Liabilities

- Any liability or obligation of Debtors or Seller not described in the Assumed Liabilities Section above.
- Any liability of Debtors or Seller for costs and expenses incurred in connection with this sale and the transactions contemplated hereby.
- Any liability of Debtors or Seller for breach of contract, tort or violation of law.
- Any income taxes owed by Debtors as a result of the transactions contemplated hereby.

These items will be set forth in more detail in a written Asset Purchase Agreement (the "APA") to be executed by the Successful Bidder at the conclusion of the Auction, which shall supersede, in all respects, the terms of these procedures.

Qualified Bidders

Potential bidders must have delivered the following to the Trustee (with a copy to Trustee's counsel) prior to the auction in order to be deemed a qualified bidder (each, a "Qualified Bidder"). Only Qualified Bidders will be permitted to participate in the Auction:

- A written bid setting forth the proposed purchase price for the Charged Off Accounts.
- Evidence satisfactory to the Trustee, in consultation with the Committee, establishing the bidder's financial ability to close the asset purchase.
- Information satisfactory to the Trustee, in consultation with the Committee, regarding both the bidder and its partner(s), if any, with respect to the requirements enumerated in Section 363(n) of the Bankruptcy Code.
- A "marked up" copy of the APA between the Trustee and the Stalking Horse who has submitted the initial opening bid identified below reflecting the changes that the bidder would require.
- A cashier's check, certified funds or a wire transfer of \$10,000 (deposits will be returned to non-winning bidders).
- Copies of each bid, including the documents described in this Qualified Bidders section, must be provided via email to John D. Elrod (elrodj@gtlaw.com) as counsel for the Committee.
- The Stalking Horse is deemed to be a qualified bidder.

Order of Bidding for the Assets

The Assets will be auctioned in a single lot or in any such combinations of lots as the Trustee, in consultation with the Committee, may reasonably determine.

The winning bid(s) will be the bid (or combination of bids) that results in the highest net proceeds to the Trustee.

Bidding Process

- The Auction shall take place at the offices of counsel for the Committee, Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, N.E., Suite 2500, Atlanta, Georgia 30305, at 10:00 a.m. ET on or before the third (3rd) business day after entry of an order by the bankruptcy court approving the asset sale, or at such other time and place as the parties agree after entry of said order, provided that no stay of the order entered by the bankruptcy court approving the asset sale is in effect on such date.
- Bidders must participate in person or by telephone.
- Bidding will open with the highest bid delivered to the Trustee from a qualified bidder for the Assets.
- A schedule of highest bids will be provided to bidders prior to start of the Auction.
- An initial opening bid has been made by the Stalking Horse in the amount of \$209,346. This bid is contingent on the Stalking Horse being the Successful Bidder for the Best Buy Accounts described in the related sale motion filed by the Seller.
- The minimum amount of the first competing bid must be at least \$225,000
- Any subsequent bids must exceed the previous, highest bid amount, by at least \$5,000.
- The bidding will continue for the Assets until there are no higher bids. The highest bidder shall be designated the Successful Bidder.
- The next highest bidder (the "Back Up Bidder") shall be the bidder with the next highest bid after the Successful Bidder.
- The Trustee, in consultation with the Committee, shall have the right to deviate from these Procedures, or alter these Procedures, in the interests of the Debtors' estates.

Privacy Policy

- The Successful Bidder must agree to implement a privacy policy regarding the sharing of certain personally identifiable information that Debtors obtained from their customers.
- The privacy policy must be the same or substantially similar to Debtors' privacy policy that is attached as **Exhibit B** hereto.

Closing

- The closing of the sale of the Assets contemplated herein shall take place at the offices of counsel for the Committee, Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, N.E., Suite 2500, Atlanta, Georgia 30305, immediately following the Auction provided that no stay of the order entered by the bankruptcy court approving the asset sale is in effect on such date.
- The deposit delivered to the Trustee will be applied against the final purchase price.
- The Successful Bidder and the Back Up Bidder shall enter into respective APAs (in the same or a substantially similar form to the APAs between the Trustee and the Stalking Horse) with the Trustee promptly following the auction, which agreements shall reflect their highest bids. Closing of the asset purchase(s) shall occur as soon as practicable after the auction. The anticipated closing date will be within 3 business days after the Court enters an order approving the asset sale.
- Bids are irrevocable until the earlier of (a) one (1) business days after the sale has closed, or (b) twenty (20) days after the Sale Hearing. All deposits other than the deposit of the successful bidder will be returned at the conclusion of the Sale Hearing.
- In the event that the Successful Bidder fails to close on the purchase of the Assets in a timely fashion under the Successful Bidder's APA(s), the Trustee shall be entitled to terminate the Successful Bidder's APA(s) and shall then be entitled to close the transaction contemplated in the Back Up Bidder's APA(s).

EXHIBITS A-1 THROUGH A-3
LISTS OF BANKRUPTCY ACCOUNTS, JUDGMENT ACCOUNTS, AND UNSECURED ACCOUNTS

The lists of charged-off receivables total hundreds of pages long in the aggregate. For this reason, the parties have determined that it is not feasible to attach the lists as an exhibits here. Complete copies of the lists will be maintained and will be made available by request submitted to Christian & Small, LLP, 505 20th Street North, Suite 1800, Birmingham, Alabama 35203, Attn: Bradley R. Hightower, (205) 795-6588, brh@csattorneys.com.

EXHIBIT B
PRIVACY POLICY

FACTS

WHAT DOES THE MONEY TREE INC. DO WITH YOUR PERSONAL INFORMATION?

WHY?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
WHAT?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> ▪ Name, address, telephone number and social security number ▪ Employer, income and financial position ▪ Account balance and payment history on transactions with affiliates ▪ Information from consumer reporting agencies
HOW?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons The Money Tree Inc. chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does The Money Tree Inc. share?	Can you limit this sharing?
For our everyday business purposes - Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
For our marketing purposes – To offer our products and services to you	YES	NO
For joint marketing with other financial companies	NO	WE DON'T SHARE
For our affiliates' everyday business purposes- information about your transactions and experiences	YES	NO
For our affiliates' everyday business purposes- Information about your creditworthiness	YES	YES
For nonaffiliates to market to you	NO	WE DON'T SHARE

To limit our sharing	<ul style="list-style-type: none"> ▪ Call 1-800-264-5160 extension 1100 or ▪ E-mail optout@themoneytreeinc.com and list your name and the city in which you made your loan. <p>Please note: If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>
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Questions?	Call 1-800-264-5160 extension 1100 or e-mail to optout@themoneytreeinc.com
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Who we are

Who is providing this notice?

This privacy policy is being provided by The Money Tree Inc. and applies to The Money Tree Inc. and all its subsidiaries and affiliates.

What we do

How does The Money Tree Inc. protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does The Money Tree Inc. collect my personal information?

We collect your personal information, for example, when you

- Complete a loan application with us or one of our affiliates

We also collect your personal information from others, such as credit bureaus and affiliates.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes – information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

What happens when I limit sharing for an account I hold jointly with someone else?

Your choices will apply to everyone on your account.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies:

The Money Tree of Georgia Inc.; The Money Tree of Florida Inc.; The Money Tree of Louisiana, Inc. *f/k/a* Money To Lend of Louisiana, Inc.; Small Loans, Inc.; Small Loans, Inc. *d/b/a* Money To Lend; Interstate Motor Club, Inc.; The Money Tree/VanMart, Inc.; Home Furniture Mart Inc.; Best Buy Autos of Bainbridge Inc.; Money To Lend, Inc.; Buyer's Choice Motor Company; Buyer's Choice Finance Company

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *We do not share information with companies not related by common ownership or control.*

Joint Marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- None

Other Important Information